

Expanding the Pie

# Opportunities for Integrative Bargaining

By increasing the bargaining zone, you can increase the value you capture in the agreement

# **Ask Questions**

1

**Understand Interests:** Go beyond positions and find out why both sides would support or oppose a proposal. What are the needs, concerns, hopes and fears.

**5 Ws (and an H):** Ask about who, what, when, where, why and how.

**Calibrated Questions:** What about this works for you? What is the biggest challenge you face?

**Non-verbals:** Tone, body language and eye contact matter.

**Don't make "why" questions an accusations:** Reframing them as "how" or "what" can help.

## Logrolling

2

**Exchanging Support:** Offer support to your opponent's proposal in exchange for your opponent supporting an important proposal of your own.

**Package:** Utilize package proposals to group various topics together into one "logroll."

**Weighted Proposals:** Remember to make package proposals attractive to both sides.

**Example:** "I'll agree to your proposal for new uniforms if you agree to exclusively use our preferred vendor."

### **Fixed Sum**

3

Avoid the Error: Available resources in a negotiation are not finite and can be expanded; don't assume parties are diametrically opposed on each issue

**Overlap:** Identify interests to understand areas of overlap between the parties on any given issue.

**The Two "P's":** Harness differences in preferences and perspectives between the parties to create value.

**Example:** To gain support for a new scheduling system that will achieve cost savings, employee seniority is given higher importance, which is an important value to the union.

### **Adverse Selection**

4

**Information Asymmetry:** Dilemma faced by negotiators due to information deficit where offers don't match relative risk.

**Share Information:** Remove obstacles to an agreement by sharing information about proposals and positions.

The Power of Data: More information allows a party to better assess risk and agree to a proposal or suggest an alternative.

**Example:** Upon proposing a new education premium pay also supplying data on education level of unit members so everyone can assess economic impact.

### **Moral Hazards**

5

**Post-Contractual Costs:** Costs of one party performing after contract is negotiated is borne by the other party.

Impasse Technique Can Backfire: Parties may defer resolution of an issue to after contract ratification; however, make sure one side is not powerless to make good on promises.

**Remedy:** Create incentives for both parties to perform at a high level even after negotiations are formally completed, in turn adding value to deal.

**Example:** Proposal to defer development of new works schedules until after contract is completed but build in a timeline to be completed with a reopener provision if the timeline is not met.